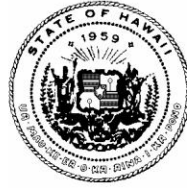


NEIL ABERCROMBIE
GOVERNOR



PATRICIA McMANAMAN
DIRECTOR

BARBARA A. YAMASHITA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 30, 2014

MEMORANDUM:

TO: The Honorable Mele Carroll, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1695– RELATING TO HEALTH CARE**

Hearing: Thursday, January 30, 2014; 10:00 a.m.
Conference Room 329; State Capitol

PURPOSE: The purpose of this bill is to amend the state supplemental income for adult residential care homes (ARCHs), expanded ARCHs, and other homes specified in section 346-53, Hawaii Revised Statutes, and changes the public assistance allowance to equal an unspecified percentage of the current poverty level established by the federal government. Effective July 1, 2014.

DEPARTMENT'S POSITION: This bill would change the assistance payments for the Temporary Assistance for Needy Families (TANF), the Temporary Assistance for Other Needy Families (TAONF), and the Aid to the Aged, Blind, and Disabled (AABD) programs by changing the standard of assistance from the 2006 Federal Poverty Level (FPL) to the current year FPL and the percentage on which the assistance allowance is

based. The additional funding necessary, depending on the FPL year and the assistance allowance percentage would be potentially in the millions.

This bill also proposes to change the state supplemental income provided to residents of adult residential care homes (ARCHs), expanded ARCHs, and other homes specified in section 346-53, Hawaii Revised Statutes. The DHS will require additional state funds to administer and implement the increases. In calendar year 2013, an average of 2,594 individuals received monthly payments. The Fiscal Year 2014 budget for the state supplemental payments is \$17,810,955. The additional funding for the state supplemental income payments that will be necessary, based on the current number of residents in these facilities, would range from \$312,000 a year for a \$10 monthly increase to \$936,000 a year for a \$30 monthly increase to \$1.56 million per year for a \$50 monthly increase. This does not include the additional funding for the administrative fees required by the federal government.

The state supplemental payments are added to a resident's monthly Social Security benefits by the Social Security Administration (SSA) through an agreement with the DHS. The SSA requires a minimum of three months to make the necessary programming changes to ensure that the residents of the residential care facilities receive the correct amounts. An effective date of October 1, 2014 is recommended should any changes be made to the state supplemental income rates.

Thank you for the opportunity to provide comment on this bill.

The Arc in Hawaii
3989 Diamond Head Road
Honolulu HI 96816
808 737-7995

January 29, 2014

The Honorable Mele Carroll, Chair
House Committee on Human Services
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

RE; HB 1695 - RELATING TO HEALTH CARE
Amendments to HRS §346-53 (c)
Hearing: Thursday January 30, 2014 10:00 A.M.
Conference Room 329

Dear Representative Carroll and Members of the Committee:

The Arc in Hawaii (The Arc) **supports** HB 1693 if and to the extent that it **increases** the amount of the state supplemental payment for licensed developmental disabilities domiciliary homes (DD Dom Homes) as contemplated by Section 3 of the Bill. The Bill would amend HRS § 346-53 (c) by adding a new subsection (c) (3) to increase the amount of the state supplemental payment for DD Dom Homes and other adult residential care homes effective July 1, 2014.

The Arc provides a home and essential services for 42 adult individuals in 10 small (maximum 5 residents) DD Dom Homes. These services are vital to those who call the residences home. The residents rely solely upon their Social Security Disability Insurance, Supplemental Security Income (SSI) and the §346-53 (c) state supplement to SSI in order to cover the cost of living in the DD Dom Homes.

The state supplement was last increased in 2008. Even at the 2008 level, the payments were not sufficient to allow The Arc to pay an appropriate and competitive wage to the dedicated employees who provide family – like settings for the residents. And other costs have continued to rise, and will doubtlessly rise in the future, creating financial pressures on the DD Dom Homes and The Arc generally.

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Testimony of The Arc in Hawaii
Hearing: January 30, 2014, 10:00 AM
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Consequently, The Arc in Hawaii encourages the Committee to insert a substantial increase in the amount of the state supplemental payment in the blanks in the House Bill.

Thank you for the opportunity to provide testimony.

Thomas P. Huber
President
The Arc in Hawaii

kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, January 28, 2014 2:25 PM
To: HUSstestimony
Cc: sherrianwitt@aol.com
Subject: Submitted testimony for HB1695 on Jan 30, 2014 10:00AM

HB1695

Submitted on: 1/28/2014

Testimony for HUS on Jan 30, 2014 10:00AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
sherrian witt	Individual	Support	No

Comments: I support this increase

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



THE UNITED GROUP OF HOME OPERATORS (UGHO)
30 years of Excellence Serving our Elderly and Disabled

Testimony on HB 1695 for HUS
Thursday, January 30, 2014 at 10:00 AM
State Capitol, Conference Room 329

LATE

COMMITTEE ON HUMAN SERVICES

Rep. Mele Carroll, Chair

Rep. Bertrand Kobayashi, Vice Chair

Aloha Chair, Vice Chair and Members of the Committee on HUS:

I am Marilyn Villar, vice president of The United Group of Home Operators (UGHO). UGHO was a member organization of the Hawaii Coalition of Care Home Administrators (HCCHA) that represents 500 ARCH's caring for about 2,500 of Hawaii's fragile elderly & physically and mentally challenged.

For the past 30 years, UGHO members have operated residential care homes that provide assisted living accommodations in a stress free, small family atmosphere for their residents including the elderly and individuals with disabilities who otherwise would be unable to care for themselves.

HB 1695 amends the state supplemental income for adult residential care homes (ARCHs), expanded ARCHs, and other homes specified in section 346-53, Hawaii Revised Statutes, and changes the public assistance allowance to equal an unspecified percentage of the current poverty level established by the federal government. Effective July 1, 2014.

- The over regulation and extra ordinary over sight of this industry has raised the costs of operating care homes etc. and driving them to bankruptcy. Inflation the cost of living has also risen dramatically to its has driven many legitimate operators out of business since its driving up the costs of operations to the State is so extreme without a corresponding increase in payments to the care givers. This does a great disservice to the aged and elder who prefer the comfortable and relaxed setting of a private home instead of being institutionalized in a huge nursing home.

Care Homes, Adult Foster Homes and all other community based assisted living facility are barely making ends meet so they deserve to have their payment automatically adjusted for inflation in order keep up with constantly rising prices

There should be a one time 50% increase and then add an inflation kicker to keep up with inflation. Thank you very for your attention.

LATE

Testimony in Support of HB 1695

HUS Committee
January 30, 2014, 10:00 a.m.
Hawai'i State Legislature

Measure Title: AMENDS THE STATE SUPPLEMENTAL INCOME FOR ADULT RESIDENTIAL CARE HOMES (ARCHs), EXPANDED ARCHs, AND OTHER HOMES SPECIFIED IN SECTION 346-53, HAWAII REVISED STATUTES, AND CHANGES THE PUBLIC ASSISTANCE ALLOWANCE TO EQUAL AN UNSPECIFIED PERCENTAGE OF THE CURRENT POVERTY LEVEL ESTABLISHED BY THE FEDERAL GOVERNMENT. EFFECTIVE JULY 1, 2014.

To: Chair Mele Carroll, Vice Chair Bertrand Kobayashi and
Members of the Committee

From: United Group of Home Operators

The United Group of Home Operators is writing in support to amend the state supplemental income for adult residential care homes, (ARCHs), expanded ARCHs, and other homes specified in section 346-53, Hawaii Revised Statutes, and changes the public assistance allowance to equal an unspecified percentage of the current poverty level established by the federal government.

We thank you for your time and humbly ask for your support on HB 1695.

Thank you,

Esther Pascual
Juanita Ulep
Shirley Magaoay
Roger Apuya
Levy Vargas
Marilyn Villar
Linda Guting